

August 29, 1996

Mr. Greg Haledjian APCC 10306 Eaton Place, Suite 520 Fairfax, VA 22030

Dear Greg:

This responds to the APCC's request for the number of public pay telephones operated by individual IPPs in various inner-city areas. On the attached pages are cities in states where Peoples operates phones in these areas. Peoples estimates that approximately 30% of its 40,000 phones operated nationally are located in low income urban or inner-city regions. Also, although Peoples knows we have placed payphones at LEC abandoned locations, we have not kepts records of this activity. This list is by no means all inclusive but clearly illustrates Peoples commitment to the provision of public telecommunication services in all environments.

If there is any further information we can offer, please do not hesitate to contact us.

Respectfully,

Steve Alexander

Director of Regulatory Affairs

(Attachments=3 pages)

Peoples Telephone Company, Inc.

State/City	Estimated Phones
Alabama Montgomery	50
California South Central South Gate Watts Boyle Heights Eocoima E. San Fernando V East Los Angelos N. Long Beach Santa Ana South Pasadena	500 Ty.
District of Columbia	75
Florida Tampa Jacksonville Orlando Sanford Lakeland Clewiston Naples Perry Panama City Miami Fort Lauderdale West Palm Beach Hialeah	1000
Georgia Atlanta College Park Rockdale	125

Midtown Adella

Peoples Telephone Company, Inc.

State/City	Estimated Phones
Illinois South Chicago	20
Indiana Fort Wayne Gary Indianapolis	160
Louisiana Baton Rouge New Orleans Slidell Shreveport Lake Charles Monroe	300
Maryland Baltimore City	75
Mississippi Biloxi Jackson	40
Nevada Las Vegas	100
New Jersey Newark Irvington Perth Aboy	600
New York Bronx Brooklyn Queens West Chester Mount Vernon	2500

Yonkers

Peoples Telephone Company, Inc.

State/City	Estimated Phones
North Carolina Charlotte Hickory Winston Salem	125
Ohio Cleveland Cincinatti	150
Pennsylvania Philadelphia Reading Pitsburgh	80
South Carolina Columbia	25
Tennessee Memphis Knoxville Nashville	650
Texas Beaumont Houston Dallas San Antonio	600
Virginia Norflok Portsmouth Richmond New Port News Charlottesville	50



FCO. M. Jims

RESPONSE
OF
ACTEL, INC.

TO FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554 CC Docket No. 96-128

In the matter of:

Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996

ACTEL, Inc. ("ACTEL") is a New Jersey corporation in the business of providing public pay telephone services throughout the State. All public pay phones that ACTEL owns and operates are installed and maintained in New Jersey by employees in New Jersey. ACTEL installed its first public pay telephone on November 21, 1987. As of this writing, ACTEL operates approximately 260 public pay telephones. Of these, approximately 65% of these phones are installed in public locations in "inner-city" areas including Newark, Jersey City, Paterson, the Oranges, Elizabeth, and New Brunswick (see Exhibits A and B). From the very beginning, ACTEL sought to provide service to the inner-city due to an estimated 20% of inner-city residents who do not have residential service. In addition, ACTEL noted that these areas are "under-served" by the dominant carrier, Bell Atlantic of New Jersey ("BANJ").

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IPANY is pleased to present the inaugural issue of its very own newsletter.



Let's Connect. .

We'd like to introduce ourselves to you. CONNEC-TIONS is the newsletter of the Independent Payphone Association of New York, representing the owners and operators of almost 20,000 independent payphones throughout New York State.

IPANY's goals are simple. They are:

•To help every independent payphone provider become and remain a strong, healthy, and financially sound competitor in the arena of public communications.

•To educate it's members, and to encourage fair-

ness, competition and regulatory compliance.

•To remove barriers to competition.

•To fight for a level playing field whenever it is tilted, by the LEC or by unfair and anti competitive regulation.

•To nurture new technologies aimed at more efficient, more economical and more user friendly service.

•Topursue and achieve excellence in the provision of this vital and universally needed access...to all the people in every city and on every street of the state.

IPANY // Independent Payphone Association of New York 417 Harwood Building Scarsdale, NY 10583-4199

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"Strategies for the Future" Conference Addresses Access and Success

State Assemblyman Albert Vann, who serves as the Chairman of the Corporations, Authorities and Commissions Committee in the Assembly, served as host of the second annual "Strategies for the Future" telecommunications conference in February.

The day-long conference, which was held in Albany at the Hearing Room of the Legislative Office Building, served as the kickoff for the NYS Association of Black and Puerto Rican Legislators.

The conference addressed many key telecommunications issues, including the establishment of a legislative agenda, economic development, public sector activities and new technologies and opportunities. Special attention was given to the ways to increase access to the "information superhighway," particularly for communities of color.

Jack Greene, one of the Directors of IPANY and a panelist at the conference, sees a solid role for the payphone industry on the information superhighway. He maintains that "though payphones are less charismatic than some of their fellow travellers on the information



Assemblyman Al Vann (seated) was the keynote speaker at this year's conference

superhighway, they are essential to the people of our cities, particularly to our communities of color, both as critical service access and as investment opportunities."

Greene pointed out the major impact that the payphone industry has in cities, particularly in the communities addressed by this conference. According to Greene, many of these communities, which are disadvantaged, are faced with a telephone crisis: fewer than one home in four have telephone service. For many, the only access to telephones is through those provided by the independent payphone industry.

As Greene put it, "Marketing catch phrases like we're all connected and reach out and touch someone' ring cynical when there is no phone with which to connect, no network access to reach out through."

Greene pointed out, with pride, that the private payphone industry has already addressed this need. Staistics indicate that the private payphone industry, while still relatively young, already accounts for 20% of all calls completed within our inner cities.

The social and economic value of independent payphones in these communities is reinforced by the fact that 22% of all privately held payphone corporations are wholly minority owned. This contrasts sharply with the other sectors of the telecommunications industry such as the broadcast industry, which has virtually shut out minority ownership and involvement.

The independent payphone industry still faces major legislative, regulatory and competitive challenges to its ability to continue providing this crucial access. Still, the aspirations and commitment of independent payphone providers bodes well for the development and growth of a thriving industry deep within our city.

New Jersey Board of Public Utilities

Testimony March 13, 1996

Dear Sir:

My name is Seymour H. Miller, President of SYS Telephone Corporation operating out of my home office in Oradel, NJ. I have been in the private payphone business continually since October 1988.

A little about me, my background and my business. I was born in Newark, NJ 68 years ago in 1928. I grew up in the west side of Newark and graduated from West Side High in 1945 at the age of 17. I started college in July 1945 at the University of Pennsylvania. When I turned the age of 18, I enlisted in the U.S. Army and am a veteran of World War II. I served in the Pacific and spent a year with the occupied troops in Southern Japan. After

my tour of duty, I returned to the university and graduated in 1950.

I attended Rutgers Graduate School of Business at night from 1951 to 1954 while working for a Newark mortgage company during the day. From 1954 through 1960, I was with the public accounting firm of Haskins & Sells and became a CPA in the State of New Jersey in 1959. From 1960 through 1990, I was an officer and director of three public companies whose stock was traded on the American Stock Exchange and three private companies. During that same period, I was an adjunct professor of accounting at Rutgers University--Newark and Montclair State College.

In 1988, after almost 40 years of working for others, I took the opportunity to go into my own business--payphones. I was 60 years old, had a fairly successful business career and felt this would be a good retirement business since it was capital intensive and not labor intensive (so I thought.)

I started with 20 payphones at ten Burger King locations

which I purchased installed for \$73,000. These locations were in various parts of New Jersey: Hillside in Union County; Montclair, Livingston, Cedar Grove and West Orange in Essex County; Denville and Hackettstown in Morris County; Midland Park in Bergen County and Washington in Warren County. I had to buy a van to service them.

I took a course in servicing and repairing phones at the manufacturers plant in Atlanta, GA, bought a computer to poll the phones and proceeded to collect the coins and pay the bills.

I found that with the Burger King phones, I was at the Denville location every Saturday or Sunday to clean the phones after the kids had smeared them with ketchup, mustard, coke or milk shake on Friday or Saturday night. This was a constant for five years.

It soon became obvious to me that my fixed expenses had to be spread over more than 20 phones. I bought additional phones over the years and now have 43 phones. A number of these phones are in areas where people have no phones in their homes: Englewood, North Bergen, Guttenburg and Union City.

I have a phone outside a small grocery in a residential section of Englewood in a minority neighborhood. The storeowner calls it the "neighborhood phone." There are no other phones--neither Bell nor others within five blocks. People move in and out of the neighborhood and do not have \$150 for the Bell deposit needed for a home phone. If my phone is coin-jammed, I get a call from the storeowner who expects and gets service within two hours. When I get there, people are lined up and want to know how long it will take to fix the phone. This is their link to the outside world.

I have always operated on the premise that if the phone is kept working and clean, it will be used. To that end, I poll my phones by computer every night, seven days a week, to make sure they are working or I will be there the next day, whether it is during the week or on the weekend. I check my phones physically every two weeks when I collect the coin to maintain and clean the phones. It has been my experience that people use the same phone on a regular basis. If they go to that phone three times and it is not working, they look for another phone to use and don't return to your phone.

I have made a modest profit over the years. I have reinvested all monies into the business since the beginning so that my capital investment is in excess of \$150,000. I would like to make a reasonable return on my investment. I have never taken a salary from the business. My wife has been a school teacher for 25 years and we have used her salary plus interest and dividends we receive from investments on capital I accumulated during my 40-year business career to live on.

I agree with the Board that rates to the public should be lowered, but until our costs are lowered by New Jersey Bell, we cannot lower our costs to customers. We have been charged full retail prices since the beginning while Bell charges themselves

wholesale prices and we both must charge the customer the same price.

For the past two years, my revenues have decreased due to the excessive line charges by NJ Bell and the increase in dial around calls (800, call ATT, phone debit cards, etc.) for which I receive no compensation even though my equipment is used to generate revenues for others. In addition, I have experienced a 40 percent decrease in my OSP traffic down from 1050 calls per month to 540.

Unless some relief is forthcoming in these areas, I could be forced out of business because my costs will exceed my revenues. The result would be fewer phones where almost none exist, loss of tax revenue to the state and the effect on my family and me. The Board should evaluate all of the facts and treat the cause instead of the symptoms.

All of my life, I've been a concerned citizen, raised and

educated my family, lived by the rules, paid my taxes, voted, and helped others when and where I could. I had hoped to enjoy my retirement keeping occupied with some income from my own business and being a productive senior citizen who contributes to society instead of just taking from it. I believe in the American dream and I hope I'm allowed to live it!!

Thank you.

Seymour H. Miller SYS Telephone Corporation 632 Iroquois Street Oradel, NJ 07649 (201)265-8190

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Ounlink-Frederita, NY Observer

Friday

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MAR 31, 1995

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LUCE PRESS CLIPPINGS

Pay telephones will be installed in two city parks

The city of Dunkirk will be installing pay telephones at Wright Park and Point Gratiot prior to the warmer spring and summer seasons.

Mayor Margaret Wuerstle, Parks Director Rich Richmond and Police Chief Wade Weatherlow studied the areas and expressed a need for the telephone service at the parks for both emergency and public use. Presently, no telephones are located in these areas.

One phone will be installed near the main pavilion at Point Gratiot, while the other will be erected near the concession stand at Wright Park!

The phones will allow residents to contact 911 toll free.

"These phones will increase public safety in the parks and will give the public the convenience of pay telephones." Chief Weatherlow said.

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Tuesday

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SEP 12, 1995

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PRESS CLIPPINGS

nes to replace fireboxes

By BOB KAPPSTATTER

Daily News Bronx Bureau Chief

The Bronx will get some fire insurance in the city's newly approved experiment to shut off many fire alarm boxes in an effort to reduce false alarms.

More pay phones will be installed in central Bronx areas where the alarm boxes will be shut off, said City Councilman Jose Rivera. He also assured members of Community Board 6 last week that if any problems develop, the experiment will be halted immediately.

The city's plan, approved by the City Council last Wednesday, will allow the Fire Department to disconnect 25% — or more than 4,000 — of the boxes around the city for 45 days, beginning Sept. 21.

Some 842 boxes will be disconnected in the Bronx - but not before the experiment starts in Brooklyn and Queens."

The Bronx experiment will cover three Council districts — the eastern portion of Councilman Wendell Foster's 16th District in Melrose, all of Councilman Michael DeMarco's 13th District in the East Bronx and Rivera's 15th District, which covers Board 3 in Morrisania and Board 6 in East Tremont.

Rivera's district will be a key focus of the experiment since it is mostly poor and many residents do not have home phones. He told the board that he hopes to hold a number of community meetings in his district to inform residents of the program and now it affects them. It is important, he stressed, that residents learn where the nearest pay phone is located, or which neighbors have phones.

Rivera's aide Mike Nieves told the board that both the councilman's office and the Fire Department will be survey-us of installing emergency solar-powered ing the blocks in the community board

area where the department plans to disconnect 86 emergency voice response boxes and 48 old-fashioned pull box alarms. Where there are no adjacent pay phones, the City Council agreement will allow NYNEX to install a phone.

Nieves said that of 5,900 alarms reported over the past year in the board area from both boxes and phones, almost 80% were false alarms.

Responding to a question about broken pay phones, he said that since NYNEX is interested in extending its franchise against competitors, it will have an extraincentive to make repairs promptly.

In addition, he said, to cut down on vandalism, the phones will only accept phone charge cards, though callers can still dial the 911 emergency number free.

The city is also looking at the possibility cellular phones at the box sites, he added.